



Date: May 3, 2016

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Subject: E. Main Street Waterline Replacement Project

Executive Summary

On December 7, 2015, City Council awarded Phase I of the American Tobacco District (ATD) Waterline Replacement project to Kimley-Horn and Associates, Inc. (KHA). Part of the Phase I task was to design and permit replacement waterlines along E. Main Street, including those in and around the proposed Durham Police Department Headquarters (PDHQ).

This part of Phase I is now complete and an amendment to the KHA contract is needed to provide construction related services for the waterline construction. The waterlines proposed for replacement are shown in Attachment A.

In order to complete the work before major construction occurs on the PDHQ, the Department of Water Management (DWM) proposes to use the Downtown Loop Waterline Replacement contractor, J. F. Wilkerson (JFW) via change order to the Downtown Loop construction contract. JFW has agreed to use existing unit costs for the E. Main Street work.

This agenda memo requests concurrent City Council approval to amend the ATD Waterline Replacement design contract with KHA, and the Downtown Loop Waterline Replacement construction contract with JFW.

Recommendation

The DWM recommends that the City Council:

1. Authorize the City Manager to execute a contract amendment with Kimley-Horn and Associates, Inc., in an amount not-to-exceed \$339,500.00 for the American Tobacco District Waterline Replacement Contract;
2. Authorize the City Manager to execute a contract change order with JF Wilkerson Contracting Company, Inc., in an amount not-to-exceed \$2,380,520.40 to the Downtown Loop Waterline Replacement Construction Contract;
3. Provide additional funding to the contingency fund for the JF Wilkerson Contracting Company Downtown Loop Waterline Replacement Construction Contract in an amount not to exceed \$219,479.60; and
4. Authorize the City Manager to negotiate additional change orders to the Downtown Loop Waterline Replacement Construction Contract provided that the total contract cost does not exceed \$9,700,000.00.

Background

Downtown Durham is experiencing significant growth associated with redevelopment and revitalization. The redevelopment is occurring in a portion of the City where the existing waterlines, installed in the 1910's, are not adequately sized to meet today's minimum fire-flow requirements.

To address these issues, the DWM began rehabilitating or replacing the majority of the waterlines and valves within the downtown area. Part of this ongoing effort includes the replacement of waterlines along Main Street between Roxboro Road and Fayetteville Road, shown in Attachment A.

KHA was selected to perform the design, survey, bidding and construction related services for the ATD Waterline Replacement Project. Phase I of the ATD project also included design and permitting of the Main Street waterline replacement. When Phase I was approved by City Council on December 7, 2015, it was always intended that construction services for the Main Street work be included via amendment. Therefore, the Department recommends that the KHA design contract for ATD be amended to include the necessary services for Main Street.

To expedite the replacement of the Main Street waterlines and enable redevelopment of this corridor, the DWM recommends amending the current construction contract for the Downtown Loop Waterline Replacement Construction Contract with JFW. Amending the Downtown Loop contract for the Main Street work reduces the time and costs associated with bid advertising and evaluation, as well as mobilization costs for a separately-bid construction contract.

To date, JFW has performed exemplary work on the Downtown Loop Construction Project. JFW is approximately 90% complete with the Downtown Loop waterline project, and would be able to commence work on the Main Street waterline replacement once design drawings are completed and permits obtained. This is anticipated to occur in late July or early August. JFW has agreed to hold their unit prices for the Change Order.

Issues and Analysis

The requested amendment to KHA's contract was anticipated and is referenced as Phase II in the original agenda memo for contract award to KHA. No additional contingency funds are being requested as there appears to be adequate contingency funds remaining from the original approval.

The construction contract with JFW is a unit price contract that includes a unit price for all anticipated types of work in an urban environment. To ensure that the necessary construction contract is complete prior to the forthcoming redevelopment, the DWM proposes adding additional quantities to these unit prices in lieu of re-bidding a contract with new unit prices. JFW is willing to hold their unit prices.

The construction contract amendment to perform the E. Main Street construction would be via Change Order 6 (CO 6). Downtown Loop construction is nearly complete. Amending JFW's Downtown Loop contract for the Main Street work reduces the time and costs associated with bid advertising and evaluation, as well as mobilization costs for a separately-bid construction contract.

Alternatives

Alternative #1 - Do not amend either contract and instead prepare a whole new set of construction drawings and specifications for a new bid. This approach will likely result in significant cost increases and take significantly longer to complete. It is unlikely that bidding a new contract will allow the waterline construction to be complete prior to when the additional waterline capacity is needed by the forthcoming redevelopment.

Financial Impact

The immediate cost to the City for the contract amendment with Kimley-Horn and Associates, Inc. is \$339,500.00. The funds for the contract are available in the following account:

4100P002-731004-P0BZ7	\$339,500.00
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The immediate cost to the City for the contract change order with JF Wilkerson Contracting Company, Inc is \$2,600,000.00. The funds for the contract are available as outlined below:

4100P002-731000-P0BZ2	\$2,380,520.40
4100P002-731900-P0BZ2	\$219,479.60

SDBE Summary

This is a contract amendment. Kimley Horn will be using the following certified firms for the additional scope of services:

Firm	ID	City/State	Amount	% of Contract
Hollins Construction Services	MSDBE	Wake Forest, NC	\$ 97,240.00	28.6%
Cooper and Associates Surveyors, PA	WSDBE	Morrisville, NC	\$ 12,807.75	4.07%
Trimat Materials Testing, Inc.	WSDBE	Raleigh, NC	\$11,000.00	3.24%